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Department of Economic Development

Facts show Missouri's economy, business climate fundamentally strong

Missouri Department of Economic Development Director Joseph L. Driskill reported on July 1 that an evaluation of several economic measures indicates good news about the state's economy and business climate.

"Based on the facts, Missouri's economy is fundamentally strong and we are seeing definite signs of improvement," said Driskill, in releasing another in a series of economic conditions reports prepared by his department.

"There is no single measure that can be used to describe the condition of Missouri's economy or our nation's economy. There are a number of economic indicators that must be taken into consideration to determine the climate for business and economic growth."

Driskill was joined in releasing the report by Dr. Marty Romitti, director of the department's Missouri Economic Research and Information Center, and Stan Farmer, director of taxation for the Missouri Department of Revenue.

Driskill pointed out that even with the favorable news, the national recession is still having an impact on Missouri. Since the recession began in March of 2001, the nation has lost almost 2.5 million jobs and has experienced the longest period of sustained employment decline in modern history. Like 42 other states, Missouri has had a decrease in private sector employment during the recession.

"But overall, when you look at all of the indicators, the message is very clear and

obvious: our business climate is strong and economic growth is occurring. Missouri's economic engine is churning," said Driskill. "As this national recession ends, Missouri is positioned to move toward a period of sustained economic growth."

"Our unemployment rate continues to be low, the personal income and per capita income of Missourians is growing faster than the national average, Missouri's business climate and business environment is leading to business growth and to higher average wages for workers, our manufacturing sector is improving, and our economy is creating new jobs."

Farmer reported that collections for sales and use taxes, individual income taxes and corporate income and franchise taxes were all down in the fiscal year that ended Monday.

"It will take some time for state and local tax revenues to reflect an improved economy. That



means we will be dealing with continued tight state budgets in the near future," observed Driskill.

A complete copy of the report is available on the DED web site at missouridevelopment.org. The link is http://www.ded.state.mo.us/business/researchandplanning/pdfs/mo_econ_condition_jul03.pdf

ECONOMIC INDICATORS

UNEMPLOYMENT: Throughout the recession, Missouri has consistently been below the national average, often by a half point or more. In May the U.S. seasonally adjusted unemployment rate hit 6.1 percent, nearly a nine year high, compared with 5.3 percent in Missouri. Missouri's rates in February and March were at the lowest levels since August 2001. Missouri's unadjusted unemployment rate in both April and May stood at 4.9 percent, nine-tenths of a percent below the national rate.

PERSONAL INCOME: Missouri's personal income rose 3.2 percent in 2002, ranking it 18th nationally and above the national growth rate of 2.8 percent. On a per capita basis, personal income increased 2.5 percent last year, compared with a national increase of 1.7 percent.

BUSINESS GROWTH: The number of businesses in Missouri reached a new high in 2002, growing to 155,973, an increase of 2,318. Also, average annual wages increased by 1.9 percent to \$33,260.

MANUFACTURING SECTOR: Manufacturing employment has stabilized in the state and is now recovering faster than 31 other states and the District of Columbia. The Purchasing Managers Index, a leading economic indicator compiled by Creighton University, was above 50 for the 16th consecutive month in May, a sign of an expansionary economy.

JOB CREATION: Even though those years represented periods of national recession, Missouri created nearly 324,000 jobs in 2001 and over 318,000 jobs in 2002. The number of high growth firms in Missouri - those adding 15 percent or more workers to their payrolls in a year - increased by almost 30 percent moving from the last half of 2001 through the first part of 2002.

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Holden Signs Legislation to Help Retain Jobs at Ford Hazelwood Assembly Plant

In June, Gov. Bob Holden signed Senate Bill 620 that changes some of Missouri's economic development incentive programs to provide additional tools that could be used to help convince Ford Motor Company not to close its St. Louis Assembly Plant in Hazelwood.

Early last year Ford announced plans to close its Hazelwood facility by mid-decade as part of an overall effort to reduce costs. Holden quickly responded by appointing a task force of city, county, state, and business leaders to ensure a coordinated and effective plan of action was developed to try and convince Ford officials to keep the plant open.

Holden said the news was disappointing because Hazelwood has been one of the most productive auto assembly plants in North America and that state and local governments have worked closely with Ford over the years to help them remain competitive.

"Not only are we fighting for the 2,600 jobs at this assembly plant that produce an annual payroll of \$169 million, but also for the thousands of other jobs in communities across Missouri that are supported by this facility," Holden said. "We are fighting to convince Ford to keep their St. Louis Assembly Plant open."

Holden's task force, chaired by AmerenUE Chairman and CEO Chuck Mueller, developed a plan, which was presented to Ford executives in Detroit on January 23. Parts of that plan required changes in state law targeting incentives that could help Ford continue to be successful in Hazelwood.

On February 21 the Governor joined Senate President Pro Tem Peter Kinder, House Speaker Catherine Hanaway and other legislators in Hazelwood to hear a report from the task force

and announce their support for getting a bill through the General Assembly as quickly as possible.

Holden also praised Ford workers and stressed their performance is the reason this decision could be reversed.

"While this legislation gives us new tools and resources to discuss with Ford, we have no



Surrounded by Ford employees, task force members and government officials, Gov. Holden announced his continuing support of efforts to save jobs at Ford's St. Louis Assembly Plant in Hazelwood. Rep. Mike Spreng and Rep. Tom Dempsey (top left), two co-sponsors of the Ford job retention bill, were on hand to witness the Governor sign Senate Bill 620 into law.

greater resource to offer the company than our world-class workers," he said. "The men and women who work at this assembly plant symbolize what we have come to expect from the Ford brand - quality and reliability. This facility has consistently been one of the most

productive and efficient auto assembly facilities anywhere."

A recent report by Harbour and Associates, Inc. of Troy, Michigan listed Hazelwood as the fourth most efficient auto plant in the United States. Currently, this facility is ranked in the top three for quality among Ford's North American assembly plants.

Hazelwood now produces the Aviator, Explorer and Mountaineer. But the governor pointed out that because workers have demonstrated an ability to maintain competitive skills this is also a good place for Ford to produce new product lines.

Senate Bill 620 amends current laws related to the BUILD Program incentives, the Enterprise Zone Program, and the Community College New Jobs Training Program.

There will also be a new Enterprise Zone designation that includes the Ford plant site and local incentives are also being offered.

In his State of the State Address on January 15, Governor Holden urged legislators to tailor the state's economic development incentive programs to protect jobs already in Missouri by tying them to important capital investments such as retooling or investing in new technologies. He stressed that this new emphasis could help longtime Missouri business partners like Ford remain competitive.

"During the past year we have had some good discussions with executives of Ford Motor Company," Holden said. "They are aware of the work of our task force and this legislation. We will be meeting with Ford in the very near future to continue our efforts to save these jobs. I truly believe Ford's best chance for economic recovery lies in maintaining its investment in Missouri. We want to help make that possible."

CALENDAR

July 4 Independence Day
Offices Closed

July 17-18 2003 Missouri Summit
on Life Sciences
Lake Ozark

August 19-21 Science & Technology
Conference
Fort Leonard Wood

September 1 Labor Day
Offices Closed

October 8-9 2003 Governor's
Conference on Workforce Development
Lake Ozark

October 26-27 Missouri Community
Betterment Conference
Columbia

Holden to Sign Downtown Economic Stimulus Act

On July 7, Governor Bob Holden is scheduled to sign House Bill 289, which offers an innovative, reasonable and responsible method of stimulating economic growth and protecting our downtown areas throughout cities in Missouri.

The Missouri Downtown Economic Stimulus Act (MODESA) will provide the mechanism for financing critical investments that will enable our communities to achieve sustained economic growth.

The bill provides a more flexible tool for public financing of public infrastructure in blighted downtown areas or "central business districts" by disbursing back to the project a portion of the new state tax revenues generated from the redevelopment of the area.

The bill defines "central business district" as the area known locally as the "downtown" with at least 50 percent of buildings being 35 years or older and a median household income of under \$62,000.

MODESA provides a sound and responsible financing mechanism that will speed up the process of funding critical development projects in cities across the state.

House Bill 289 also includes a provision referred to as the Missouri Rural Economic Stimulus Act to help communities of less than 10,000 attract jobs and economic growth.

This part of the bill provides for similar financial assistance to communities less than 10,000 to be used in the development of renewable fuel production facilities for ethanol and bio diesel.

Not only will this potentially create jobs in rural Missouri, it will also open up new markets for Missouri farmers.

In addition, this bill also designates satellite enterprise zones in Springfield, Independence, and St. Joseph.

Missouri Companies Listed in Fortune 500, Fastest Growing Lists

Twelve companies headquartered in Missouri were recently named to the *Fortune 500* list by *Fortune* magazine. In addition, three Missouri companies made *Fortune's* Fastest Growing List.

Fortune published the listings in a recent issue. Rankings are based on total revenues from calendar year 2002. The Missouri companies named to the Fortune 500 are: Emerson Electric, St. Louis; Anheuser-Busch, St. Louis; May Dept. Stores, St. Louis; Express Scripts, Maryland Heights; Farmland Industries, Kansas City; Charter Communications, St. Louis; Leggett & Platt, Carthage; Graybar Electric, St. Louis; Ameren, St. Louis; Interstate Bakeries, Kansas City; H&R Block, Kansas City; and Aquila, Kansas City.

In the first three quarters of 2002, these 12 companies employed about 26,000 people in Missouri and paid more than \$1.1 billion in wages.

Emerson Electric is Missouri's highest-ranking company with revenues of \$13.8 billion.

They came in at number 138 on the Fortune 500.

The top five U.S. companies are Wal-Mart (\$246.5 billion).



General Motors (\$186.8 billion), Exxon Mobil (\$182.5 billion), Ford (\$163.6 billion) and General Electric (\$131.7 billion). Wal-Mart topped the list for the second straight year.

The three companies named to the 100 Fastest Growing List are First Banks America in Clayton, Engineered Support Systems with facilities in St. Louis, High Ridge and West Plains, and Express Scripts located in Maryland Heights.

To make the list of the 100 Fastest Growing Companies, companies had to have at least \$50 million in revenue over the past four quarters, a minimum market cap of \$50 million, and annual sales and earnings per share growth of at least 25 percent for three straight years. Total return to investors is also a factor in making the list.

Missouri's Personal Income Grew Faster Than Nation's in 2002

Missouri's personal income and per capita income growth exceeded the nation's average growth in 2002, adding more evidence that the state may be recovering from lingering effects of the national recession.

The Department of Economic Development's Economic Research and Information Center compiled a report on income growth using data recently released by the U.S. Bureau of Economic Analysis. The data shows that Missouri's personal income rose 3.2 percent last year to just over \$164 billion, which ranked the state 18th nationally in total personal income in 2002. The nation's average personal income rate increased more slowly at 2.8 percent for a total of \$8.9 trillion.

When compared to neighboring states, Missouri had the second highest personal income, lagging only behind Illinois at \$421 billion. California led the nation in total personal income with more than \$1.1 trillion.

Missouri's personal income grew at a rate four-tenths of a point faster than the nation's last year. Alaska experienced the greatest growth rate at 5.3 percent, while the state of New York's personal income grew slowest at .84 percent.

In per capita personal income, Missouri increased 2.5 percent in 2002 to \$28,936 from \$28,221 in 2001. Nationally, per capita income increased at a much slower pace of 1.7 percent to an average of \$30,941 from \$30,413 in 2001. Of Missouri's surrounding states, only Illinois' per capita personal income of \$33,404 exceeded the national average. The state of Connecticut led the nation in per capita income at \$42,706 followed by New Jersey, Massachusetts, Maryland and New York. Mississippi had the lowest per capita income at \$22,372.

The three fastest growing states in per capita personal income, where below average population growth helped boost their rankings, were North Dakota (4.6%), Montana (4.1%) and Louisiana (4.1%). Only Colorado experienced a decrease, of -0.5 percent, in per capita income growth.

Personal income is defined as the income received by all persons from participation in production, from government and business transfer payments and from government interest. It is measured before the deduction of personal income taxes and other personal taxes and is reported in current dollars.

Per capita personal income is calculated as the personal income of the residents of an area divided by the population of that area as of July 1 for the reference year.



Governor Bob Holden recently led a Missouri delegation to BIO 2003—Biotechnology Industry Organization's annual convention. This year's event was held in Washington D.C. from June 22-25. More than 15,000 biotechnology leaders from around the world attended the convention.

Governor Holden, Department of Economic Development Director Joe Driskill, and a large

Missouri contingent made their presence known at the convention, with exhibits and numerous personal meetings with business prospects.

One of those prospects was a group from Yokohama, Japan led by Mayor Nakada who met with the Governor to discuss possible business partnerships. In this photo, Governor Holden poses with the Yokohama group at their booth.

STATE OF EMPLOYMENT

Missouri's labor market conditions remained steady in May

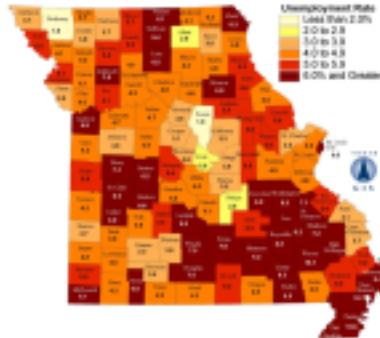
Missouri's unadjusted unemployment rate was unchanged between April and May, remaining at 4.9 percent, nearly one point below the nation's unemployment rate of 5.8 percent. Also, for the second consecutive month, employment increased in the state.

Non-farm employment increased by 6,900 in May, following a net increase of 12,500 jobs in April, the largest increase since October of 2000.

The state's seasonally adjusted unemployment rate increased by three-tenths of a point in May to 5.3 percent.

Seasonally adjusted unemployment has been edging back up since the unusual four-tenths of a point decrease in January, but the current rate is still lower than in any month in 2002, except January, when the rate was also 5.3 percent. About 157,000 Missourians were estimated to have been jobless in May, down by about 7,200 from May 2002.

Non-farm payrolls added 1,500 jobs on a seasonally adjusted basis. This is the second consecutive monthly increase in employment, although smaller than last month's revised gain of 10,300 jobs. Growth in employment in the month appears to have been limited to some extent by an early ending of spring semesters at schools and colleges. There was a considerable drop in the May employment figures for education, whereas last year's decreases tended to occur later in June or even July.



According to employment data, most industry super sectors showed only small changes between April and May, on a seasonally adjusted basis, as total non-farm employment edged up to 2,647,100 jobs. Leisure and hospitality industries added 6,000 jobs, while financial activities and construction employment were up by 1,200 and 1,000 jobs, respectively.

Government employment was down by 3,000 jobs in May, which includes the unusually early decreases in employment at education institutions. Trade, transportation and utilities decreased by 2,500, while professional and business services dropped by 2,000.

For more specific information on labor market conditions in Missouri, go to www.ded.state.mo.us/employment/workforcedevelopment/pdfs/june27.pdf on the internet.

Holden announces national emergency grant to aid workers displaced by tornadoes, severe storms throughout Missouri

On June 26, Gov. Bob Holden announced that Missouri had received approval for a Disaster Relief National Emergency Grant of up to \$5.7 million from the U.S. Department of Labor. The grant will create approximately 426 temporary jobs to assist in the ongoing cleanup and restoration efforts following the tornadoes and severe weather that affected Missouri in May.

The Missouri Department of Economic Development's Division of Workforce Development applied for the grant on May 27. The Division will administer the grant through the local Workforce Investment Boards in the affected regions.

The state will immediately receive \$2.8 million in the first increment of funding from this grant, which will run through May 31, 2004. These funds will support individuals who were temporarily or permanently dislocated by the tornadoes, as well as long term unemployed individuals and other eligible dislocated workers.

These individuals will be temporarily employed within the 20 Missouri counties that were certified for public assistance under FEMA. Those counties include Barton, Camden, Cass, Cedar, Christian, Clay, Dallas, Greene, Jackson, Jasper, Johnson, Scott, Jefferson, Polk, Platte, Lawrence, Cape Girardeau, Howard, Lewis and Pike.

For additional information on training or re-employment services available to dislocated workers, call the Division of Workforce Development at 1-800-877-8698.



Department Assesses Storm Damage to Businesses

Following the storms and tornadoes that severely damaged a number of local businesses in May, the Missouri Department of Economic Development sent Disaster Recovery Teams to several communities where a large number of businesses received damage. Business owners in neighboring communities were also encouraged to come to one of the survey locations or call a toll free number to complete a survey.

The teams surveyed local business owners impacted by the tornadoes to determine the specific needs of each affected business. The communities that received site visits were Pierce City, Stockton, Jackson, DeSoto, Canton, Carl Junction, Battlefield and Liberty.

"The purpose of these surveys are to gather solid data that our department can use in identifying gaps that will exist in the business recovery process," said Joseph L. Driskill, director of the Missouri Department of Economic Development. "Governor Holden has directed our department to help businesses impacted by the recent storm damage get back in operation as quickly as possible, so we are trying to determine what the needs are and what kind of gaps exist between private insurance and federal Small Business Administration assistance."

Driskill said the surveys will enable the department to design tools and resources to meet those gaps to help businesses get back into operation, have their buildings replaced or repaired, and provide employment assistance for displaced workers.

"Whatever state resources we have available will be used to close the gaps left from other kinds of assistance," said Driskill. "We want to tailor state services and assistance to the needs that are out there."



Highlights of the 45th Annual Governor's Business Development Conference



Alex Spanos



Dr. Elson Floyd

The 45th Annual Governor's Business Development Conference was held May 29-30 at The Lodge of Four Seasons at Lake Ozark. Creating jobs in a knowledge-based economy was the theme of this year's conference, which featured informational sessions, guest speakers and business networking opportunities.

The conference was held in conjunction with the Missouri Economic Development Council's (MEDC) Spring Conference, which was held May 28-29.

Alex Spanos, a business giant in the real estate and construction industry and owner of the San Diego Chargers football team, opened the conference with his keynote luncheon address.

In addition, Dr. Elson Floyd, president of the University of Missouri System, and SBC Communications President William M. Daley lead general sessions during the conference. Floyd spoke about the relationship between higher education and the economic development process and job creation. Daley gave conference attendees his perspective on current economic conditions and what he believes will turn the national economy around.

Gov. Bob Holden wrapped up the conference at noon Friday by addressing the audience at the Awards Luncheon and presenting awards to the recipients of the 2003 Governor's Economic Development Awards.

During his remarks, Holden reflected on his position regarding the importance of education as a driver of Missouri's future economic growth. He also talked about taking the necessary actions to help Missouri make a successful transition into the new economy, such as strengthening education and workforce skills, increasing business competitiveness, investing in our communities, building infrastructure capacity and reforming government and regulatory rules.

Throughout the conference, more than a dozen concurrent sessions featured topics regarding industry clusters, community development and redevelopment, plant closing remedies, globalization, workforce, entrepreneurial climate, regionally focused economic development, a blueprint for prosperity and jobs and human capital.

Schreiber Foods Takes Top Honors at Governor's Conference

Governor Bob Holden presented the 2003 Governor's Achievement Award to the Schreiber Foods plants in Clinton.

Schreiber Foods is the world's largest privately held cheese processor. The company operates three plants in Clinton: the DDN, Capri and Clearfield plants. It also has facilities in Carthage, Monett, Mt. Vernon, and St. Louis.

As a business partner in Clinton, this innovative company has developed a comprehensive training program through exceptional relationships with the Clinton Technical School and State Fair Community College. Training, such as certification and quality programs, through these educational institutions is offered to employees throughout their entire career at the company. These training programs enable the company to effectively meet the needs of their rapidly changing operations while increasing worker productivity. As a result, the company's workforce has increased from 122 to 626 employees since 1995, and the company plans to create another 100 new jobs at its Clearfield and Capri plants by the end of 2003.

The Governor's Achievement Award recognizes outstanding performance in activities related to economic development by an individual, organization, company or community in Missouri that stands above the crowd. The winner of this award receives a beautiful traveling trophy, which remains with them for one year. The awardee then comes back to the conference the following year to present the trophy to the next award recipient.



Congratulations Schreiber Foods!

2003 Governor's Business Development Conference Award Winners

- Governor's Achievement Award - Schreiber Foods Inc., Clinton
- Business Attraction and Expansion Award - Wyeth BioPharma, St. Louis
- Community Development Award - Warrenton Downtown Association
- Exporter of the Year Award - MART Corporation, Maryland Heights
- Governor's Small Business of the Year Award - Leatherwood Enterprises, Kansas City
- Governor's Technology Award - MO-SCI Corporation, Rolla
- Innovative Training/Workforce Development Award - Schreiber Foods, Inc., Clinton
- International Volunteer of the Year Award - Barbara Prasad, Jefferson City Multicultural Forum
- Marketer of the Year Award - City of O'Fallon

Creating Jobs in a



Knowledge-Based Economy

NEWSBREIFS

Sunbeam consolidates operations in Neosho

The Missouri Department of Economic Development approved up to \$250,000 in Development Tax Credits requested by Neosho Land Development Inc. to offset up to a \$500,000 donation the not-for-profit agency will receive from Sunbeam Products, Inc. The donation, in the form of equipment, will be leased back to the company for at least five years.

The company plans to invest \$2 million in a distribution and warehouse facility at 4101 Howard Bush Drive and create approximately 180 new jobs.

Sunbeam Products Inc., a wholly owned subsidiary of American Household, Inc., is a leading manufacturer of small electrical household appliances. After announcing that it would shut down its outdoor cooking manufacturing operations in Neosho in March, Sunbeam Products later announced that it would consolidate its warehouse and distribution operations in Neosho from Mississippi. The Neosho facility will store and distribute the Company's products, including those sold under the Sunbeam®, Oster®, Mr. Coffee® and Health o meter® brands.

State assistance to support local business expansion in St. Clair Industrial Park

The Missouri Department of Economic Development approved a \$296,025 industrial infrastructure grant through its Community Development Block Grant Program for the city of St. Clair. The grant will help fund water, sewer, street and storm water improvements necessary to facilitate the expansion of Plaze Inc.

Plaze plans to build an additional 77,000-square-foot building in the St. Clair Industrial Park to expand its warehouse and distribution capacity. The expansion will accommodate new business the company has received to provide warehouse and distribution services for one of its largest customers. As a result, the company will make a private investment of \$3.5 million and create 30 new jobs within two years.

The state funds will be used in combination with local funds to complete infrastructure improvements necessary to serve Plaze's expansion in the St. Clair Industrial Park. Road improvements include the resurfacing of Bolte Lane and an extension of Kamper Drive, which will be necessary to handle the increased traffic volume. In addition, a stormwater retention basin will be constructed on the corner of Lot 5 in the industrial park to minimize any recurrent flooding and water and sewer lines will be extended to the facility.

Plaze is a full service contract packager of aerosol containers. The company's state-of-the-art manufacturing plant operates six aerosol lines, three liquid lines and a specialty line and has the capability to handle every type of propellant used in

the aerosol industry. Operations are divided into two separate areas, one for food and cosmetic products and one for industrial and institutional products.

Schreiber Food expands facility in Clinton

A Clinton company will soon be expanding its facility, creating 44 new jobs and \$7.5 million in investment. A state grant will enable infrastructure improvements required to accommodate the expansion of Schreiber Food, Inc.

The Missouri Department of Economic Development has awarded a \$440,000 Industrial Infrastructure Grant through the Community Development Block Grant program to the city of Clinton. The grant will be used to extend water service and make road repairs for the new expansion.

Schreiber Food is planning the expansion to accommodate a growth in production. The company will maintain its current facility and expand at a new site in an industrial park. This will require extensive infrastructure improvements to the street, water and sewer systems, and the storm water drainage and retention.

Schreiber manufactures processed cheese for the retail and food service markets. The facility in Clinton prints plastic films that are used for packaging.

Marina industry manufacturer expands in Camdenton

The Missouri Department of Economic Development approved a \$380,817 industrial infrastructure grant through its Community Development Block Grant Program for the city of Camdenton. The grant will help fund water, wastewater and street improvements necessary to facilitate the expansion of Galva Foam Marine Industries, a ShoreMaster company.

Galva Foam, the marina industry's leading manufacturer of floating dock systems, will make a \$1.1 million investment in a new 16,000-square-foot production facility in the Camdenton Business Park. The new facility will expand the company's production capabilities, adding room for a large oven for heating molds, a misting area for cooling molds and an assembly area for flotation blocks. As a result, the company will create 40 new jobs within two years.

The state funds will finance the construction of a road, which will provide access to the site in the business park. Water distribution and wastewater collection lines will also be constructed to provide these services to the new facility.

Mountain Grove business expands, creates jobs

A start-up company in Mountain Grove will soon

be moving into a new facility, creating 37 new jobs and \$5.1 million in investment. A state grant will enable infrastructure improvements required to accommodate the expansion of Lifetime Lumber, Inc.

The Missouri Department of Economic Development has awarded a \$360,000 Industrial Infrastructure Grant through the Community Development Block Grant program to the city of Mountain Grove, which is in Wright County. The grant will be used for a rail spur.

The new facility requires a rail spur in order to keep shipping costs to a minimum. Without the spur, goods would have to be transported by truck, which would be too costly. The proposed 420-foot rail spur has switching capabilities.

Lifetime Lumber is a start-up that will be financed through the sale of an existing plastic polyethylene company. The new company will produce a combination wood/plastic board meant to replace CCA treated lumber, which will be eliminated by the end of the year, as mandated by the federal government.

State assistance brings business to Grant City

A company based in Kansas City, Kansas will soon open a new facility in Grant City, creating 13 new jobs and \$1 million in investment. A state grant will facilitate infrastructure improvements required to accommodate the location of American Forestry Products Inc.

The Missouri Department of Economic Development has awarded a \$116,400 Industrial Infrastructure Grant through the Community Development Block Grant program to Grant City in Worth County. The funds will be used for utility improvements needed for the new business.

The funds will be used to install a new wireless system, towers and equipment that are needed for the location of the business. The new system will positively affect other business expansions and locations in the Grant City area.

American Forestry is an affiliate of American Walnut Company, which is headquartered in Kansas City and has a manufacturing facility in St. Joseph. American Walnut manufactures a variety of products made from North American hardwoods. The Grant City facility will manufacture hardwood gunstocks.

MISSOURI ENTERPRISE

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